TD/B/1319

UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

TRADE AND DEVELOPMENT BOARD

Seventeenth special session
First and second parts
(2-13 December 1991 and 15-24 January 1992)

OFFICIAL RECORDS
Supplement No. 1

Report

UNITED NATIONS

TD/B/1319

UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

TRADE AND DEVELOPMENT BOARD

Seventeenth special session
First and second parts
(2-13 December 1991 and 15-24 January 1992)

OFFICIAL RECORDS
Supplement No. 1

Report

UNITED NATIONS
New York, 1992

NOTE

Symbols of United Nations documents are composed of capital letters combined with figures. Mention of such a symbol indicates a reference to a United Nations document.

*
* *

For the recommendations, resolutions, declarations and decisions adopted by the United Nations Conference on Trade and Development, see:

First session: *Proceedings of the United Nations Conference on Trade and Development*, vol. I, *Final Act and Report* (United Nations publication, Sales No. 64.II.B.11), pp. 18-65;

Second session: *Proceedings of the United Nations Conference on Trade and Development, Second Session*, vol. I and Corr.1 and 3 and Add.1 and 2, *Report and Annexes* (United Nations publication, Sales No. E.68.II.D.14), annex I, A, pp. 28-58;

Third session: *Proceedings of the United Nations Conference on Trade and Development, Third Session*, vol. I, *Report and Annexes* (United Nations publication, Sales No. E.73.II.D.4), annex I, A, pp. 53-114;

Fourth session: *Proceedings of the United Nations Conference on Trade and Development, Fourth Session*, vol. I and Corr.1, *Report and Annexes* (United Nations publication, Sales No. E.76.II.D.10), part one, sect. A, pp. 6-43;

Fifth session: *Proceedings of the United Nations Conference on Trade and Development, Fifth Session*, vol. I, *Report and Annexes* (United Nations publication, Sales No. E.79.II.D.14), part one, sect. A, pp. 6-50;

Sixth session: *Proceedings of the United Nations Conference on Trade and Development, Sixth Session*, vol. I, *Report and Annexes* (United Nations publication, Sales No. E.83.II.D.6), part one, sect. A, pp. 6-40;

Seventh session: *Proceedings of the United Nations Conference on Trade and Development, Seventh Session*, vol. I, *Report and Annexes* (United Nations publication, Sales No. E.88.II.D.1), part one, sect. A, pp. 6-27.

TD/B/1319

ISSN 0503-4116

Preface

The first and second parts of the seventeenth special session of the Trade and Development Board were held at the Palais des Nations, Geneva, from 2 to 13 December 1991 and from 15 to 24 January 1992, respectively. The report of the Board on the first part of the session is to be found in Part One of this volume; the report on the second part of the session is in Part Two.

Both parts of the seventeenth special session of the Board were devoted to organizational and substantive preparations for the eighth session of the United Nations Conference on Trade and Development. The final outcome of the work of the Board at its seventeenth special session is reported in Part Two, section II.

Part One

REPORT OF THE TRADE AND DEVELOPMENT BOARD ON THE FIRST PART OF ITS SEVENTEENTH SPECIAL SESSION

CONTENTS

Chapter		Paragraphs
	Introduction	1 - 14
I.	Organization of the work of the eighth session of the United Nations Conference on Trade and Development (agenda item 2)	
	and	
	Substantive preparations for the eighth session of the Conference (agenda item 3)	15 - 69
II.	Procedural, institutional, organizational and administrative matters	70 - 89

INTRODUCTION

1. Opening the first part of the seventeenth special session of the Board, the President, Mr. Thomas Ogada (Kenya), emphasized the importance of the special session which was taking place on the eve of UNCTAD VIII. The preparations for the Conference had already advanced considerably, with a number of regional groups having adopted their respective platforms for the Conference. The time had now come for the Board to make a positive contribution to the preparatory process. Participants should use the time ahead not only to negotiate agreed or harmonized texts but also to have a pragmatic and realistic dialogue that would lead to a successful outcome for the current session.

2. The representative of the Islamic Republic of Iran, speaking in his capacity as the representative of the host country to the Seventh Ministerial Meeting of the Group of 77, presented the Tehran Final Documents to the Trade and Development Board. He recalled that the Group of 77 had met in Tehran from 16 to 23 November 1991. The first part of the Meeting had been devoted to a meeting of Senior Officials. The Ministerial Meeting had been convened from 19 to 23 November. H.E. Mr. Ali Akbar Hashemi Rafsanjani, the President of the Islamic Republic of Iran, had inaugurated the ministerial phase of the Meeting. The Meeting had also been honoured with the presence of representatives from the industrialized and East European countries, who had been specially invited; in addition, China had attended all the meetings of the Group of 77 in Tehran as a special guest.

3. He was convinced that the Tehran Meeting signalled a major departure in the history of the Group of 77, of UNCTAD and of the North-South dialogue. The fundamental message to come out of it was the call to the developed countries to join the developing world in a new partnership for development. This must be achieved through a pragmatic and realistic dialogue, which should be non-confrontational and yet frank, and above all transparent. The presence of delegations from a number of the Group of 77's partner countries had provided the opportunity for them to familiarize themselves with the positions of the Group of 77 and with the results of the Meeting. That in itself was a step forward in strengthening cooperation among different groups in UNCTAD. These partners had not attended in a passive way. They had addressed the Ministers of the Group of 77 and had participated in a round-table interaction. The Group of 77 sincerely hoped that they had understood its position and that they had carried back with them a message of partnership, of cooperation, and of the willingness of the Group of 77 to assume its own responsibilities and to address all issues.

4. The aim of the dialogue should be to find, not facile consensus in words, but genuine concrete agreements that could be implemented. Its basis should be the recognition by the developing countries of their primary responsibility for their own development; and by the developed countries of their obligation to provide a favourable external environment, not least through abiding by the agreed multilateral rules of the game anchored in the respect for competition, open markets, equity and fair play. The driving force for the dialogue should

be the shared awareness that the main challenge faced by the international community in the post-Cold War world was the development challenge. The international community could not allow the crumbling of the wall between East and West to be followed by the reinforcement of the wall between the developed North and the underdeveloped South.

5. The Tehran Meeting had concluded with the adoption of the "Tehran Final Documents" (77/MM(VII)/1). They included the Tehran Declaration entitled "Towards a new partnership for development", the Substantive Platform of the Group of 77 for International Cooperation, a Statement of Ministers on Economic Cooperation among Developing Countries, a Ministerial Declaration on the Uruguay Round of multilateral trade negotiations (MTNs), a resolution on assistance to the Palestinian people and other decisions.

6. The Tehran Declaration stressed that the profound changes that were taking place in the global political environment, in particular the end of the Cold War, the improved prospects for disarmament and the advance of human rights, could usher in a new era of international cooperation and global partnership to enhance world peace and security. However, peace was indivisible. Achieving durable global peace and security required the freeing of all peoples and nations from poverty, hunger and underdevelopment. The rapid change that was taking place in the world economy, including the technological revolution, while giving rise to difficult challenges to both the developing and the developed countries, also offered opportunities for bridging the gap between the North and the South and strengthening international economic cooperation for development. The call for a new international order should provide an opportunity for the international community to strive for a revival of multilateralism and for placing the issue of development at the top of the international agenda for the 1990s.

7. In the context of the changing global political and economic environment, the Declaration outlined the main challenges for developing and developed countries, and it underlined the need to revitalize the development dialogue and to strengthen the effectiveness and relevance of UNCTAD in international and national decision-making. The Declaration called for the adoption of an action-oriented work programme for international cooperation at UNCTAD VIII. In order to revitalize UNCTAD's role as a universal forum of negotiation, the Declaration considered it necessary to introduce changes in the structures of the intergovernmental machinery and methods of work.

8. Against this background of the Tehran Declaration, the Substantive Platform of the Group of 77 for International Cooperation stated that UNCTAD VIII should treat the issues on its agenda in an integrated and comprehensive manner. It further emphasized that Governments at Cartagena de Indias should address the agenda in a positive spirit, aimed at achieving concrete, action-oriented results, and that the results of UNCTAD VIII should provide for solid, operational mechanisms to ensure the effective implementation of the decisions taken by the Conference. With this objective in mind, the platform went on to outline specific proposals on policies and

measures for international cooperation in the areas of resources for development, international trade, technology, services and commodities. These proposals focused on:

- halting and rolling-back of all forms of protectionism;
- seeking a durable solution to the external debt crisis and, in that context, wider implementation and extension of the principle of debt and debt-service reduction;
- reducing international real interest rates;
- external resource support for structural adjustment and the policy reform efforts of developing countries;
- directing part of the resources to be released from the disarmament process towards development;
- financing environmental protection;
- strengthening the multilateral trading system, and improving market access in developed countries for the exports of developing countries;
- issues related to trade and environment;
- strengthening the technological capabilities of developing countries;
- maximizing the contribution of the services sectors to the development of developing countries;
- enhancing the contribution of the commodity sector to the development of the commodity-dependent economies.

9. The Platform also called upon the international community to implement the Programme of Action for the Least Developed Countries for the 1990s, fully and expeditiously. In this context, it proposed that developed countries should provide adequate support to complement the domestic efforts and policies of the least developed countries within the framework of the Programme of Action.

10. Since it was anticipated that one major focus of discussions at UNCTAD VIII would be on adapting UNCTAD as an organization to a changing international economic and political environment, the Platform outlined the position of the Group of 77 on institutional matters, emphasizing the need for greater flexibility in the functioning, methods of work and mechanisms of negotiation to enable the organization to respond to the fluid realities of the contemporary global context.

11. Another major outcome of the Tehran Meeting was the Statement of Ministers on Economic Cooperation among Developing Countries. Although this

Statement did not directly constitute part of the agenda of UNCTAD VIII, nor was it being presented to the Board as part of the platform for negotiations, it was being circulated for information and for transparency. The Statement underlined the need to intensify efforts to revitalize and strengthen existing mechanisms of economic and technical cooperation among developing countries. It identified the priorities for future activities to promote economic cooperation among the developing countries in the field of trade, monetary and financial cooperation and of regional and subregional economic integration among developing countries. The Group of 77 was confident that this Statement would receive high priority on the work programme of UNCTAD and on those of other relevant organizations.

12. In parallel with the Group of 77 Meeting in Tehran, a Ministerial Meeting on the Global System on Trade Preferences had also been held and a declaration on the launching of the second round of negotiations had been adopted.

13. He observed that, in the past, there had been much criticism from partner countries in the North on the way the Group of 77 conducted its business, and on the manner and substance of its so-called "demands". The Group of 77 had also been criticized for neglecting to address issues of concern to its partners in the North, and most of all for not responding to change. The Tehran Meeting should be seen as a new departure. The countries members of the Group of 77 had responded to change and had taken into account the criticisms that had been addressed to them in the past, even though at times unfairly. They could say with confidence that they had responded effectively, pragmatically, and realistically to the challenges of the 1990s, and they were clearly now awaiting their partners' response in return.

14. Finally, as representative of the host country for the Ministerial Meeting, he expressed his deep gratitude and appreciation to the staff members of the UNCTAD secretariat for their dedication, commitment and service which had made it possible to achieve the successful outcome of the Meeting.

Chapter I

ORGANIZATION OF THE WORK OF THE EIGHTH SESSION OF THE UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT (Agenda item 2)

SUBSTANTIVE PREPARATIONS FOR THE EIGHTH SESSION OF THE CONFERENCE (Agenda item 3)

15. In his introductory statement, the Secretary-General of UNCTAD observed that structural and other changes in the global economy had brought within reach the means of overcoming many of the obstacles to the development process. Yet long-standing problems of stagnation persisted in most of the developing world. With the easing of tension among the major powers, a reduction in the defence expenditures of industrial countries and also of the developing countries would help to release resources for supporting this process. At the same time, the abrupt changes in East-West relations had generated unease in many developing countries about their place in the new configuration of power. They had also given rise to concern that single-minded support for the reform processes in Central and Eastern Europe might block the impetus to multilateral action on poverty and underdevelopment in the developing world. The effects of progress in advanced technologies were similarly double edged: while they could accelerate the industrial development in the developing world and revitalize the global economy, they were also eroding the traditional comparative advantage of developing countries in several areas and adversely affecting the demand for their export products. Moreover, the internationalization of several markets and the globalization of important areas of production and investment had speeded up the growth of interdependence in the world economy. They were leading to a network of international linkages which tended to erode the capacity of Governments to determine the course of economic events, and in particular the scope for autonomous policy-making in developing countries. Again, the benefits that might be derived from the emergence of large economic spaces involving major trading countries in terms of trade liberalization and dynamism could well be offset if there were not due regard for the principles, rules and disciplines of the trading system - and especially if such arrangements became inward-looking and shifted the burden of adjustment to third parties. Finally, population growth and fertility, as well as international migration, were posing serious challenges to sustainable development throughout the world.

16. While these challenges and potentials should be seen against the backdrop of the sombre development legacy of the 1980s, hopeful signs had nevertheless begun to emerge. There were signs that the retreat from multilateralism had begun to slow down. Development was seen increasingly as a people-centred and equitable process, political arrangements based on consent were regarded as important for development, and the observance of human rights was widely accepted as a source of creativity, innovation and initiative. The use of market signals and competitiveness, and the fostering of entrepreneurial initiative to promote economic efficiency, were becoming common features of the pursuit of economic efficiency. Greater concern for the global

environment had led to concerted efforts to develop approaches to growth which would at once eradicate poverty and promote ecologically sound and sustainable development. A strong consensus had emerged that high priority must be accorded to the eradication of poverty and hunger, to human resources and institutional development, to improved population policies, as well as to the protection of the environment.

17. Developing countries of course had the primary responsibility for their own development, including national policies to liberate and mobilize energies for development, to promote efficient allocation and use of resources, and to take advantage of the opportunities for trade, investment and technological progress provided by the changing global environment. In this context, the quality of public management was essential. This included the establishment of a predictable framework for private-sector activity, with transparent processes and efficient institutions to ensure sound public administration and accountability; arrangements for the resolution of conflicts and the correction of market deficiencies; and judicious choices as to the degree, form and mechanisms of governmental involvement in economic activity, including the maintenance of a proper balance between the public and private enterprise sectors. Furthermore, the international aspects of good management should be properly pursued so that interdependence would become a consistent vehicle of growth and development, with benefits for all parties. To that end, developing countries must have greater participation in intergovernmental decision-making concerning the evolution and functioning of the international monetary and financial system.

18. He then outlined the specific policy areas identified for consideration at UNCTAD VIII, which were examined in greater detail in the report of the Secretary-General of UNCTAD to the Conference (TD/354 and Corr.1). Under the heading of resources for development, he highlighted the important role of the developing countries' own savings as a source of development finance, and noted that there was often room for improvement in the allocation, use and mobilization of savings. There was also room for public sector reform, including greater efficiency and equity in taxation. Developing countries would nevertheless require increasing amounts of external financing to supplement their own efforts, as well as more vigorous debt relief in view of the fact that private financial flows were unlikely to revive on a major scale in the coming years. In the area of trade, he outlined the main elements that would constitute a balanced outcome of the Uruguay Round which would facilitate the participation of developing countries in world trade and enhance their benefits therefrom. He stressed in particular the importance of improved market access for developing-country exports and of strengthened multilateral principles, rules and disciplines which would impart greater openness and predictability to the trading system and take the development dimension fully into account.

19. On the question of commodities, the challenge for the Conference would be to work out, on the basis of the strategy set forth in the Integrated Programme for Commodities, a strengthened international commodity policy which took full account of the structural and other changes that had taken place over the years. Producer-consumer cooperation at various levels had a vital role to play in this endeavour but support, including financial and technical

assistance and from international institutions, as well as producer cooperation, would also be essential. Under the heading of technology, it would be vital to strengthen developing countries' own capacities to absorb, manage and benefit from technological advance, but such efforts would have to be buttressed by stronger measures and improved mechanisms to promote technology flows to the developing countries. As for the strengthening of the services sectors of developing countries, this must include a special focus both on human capital formation and on the modernization of infrastructures, particularly telecommunications. National strategies should aim at the development of indigenous producer services and encourage transnational corporations to contribute to the transfer of technology and access to information networks and distribution channels.

20. He observed that, since the circulation of his report to the Conference in June 1991, the matter of institutional issues had come to the fore in informal discussions looking towards UNCTAD VIII. Delegations had been stressing the need for a new partnership for development which must be pragmatic, realistic and non-confrontational. It was recognized that, while UNCTAD had many important achievements to its credit, the institution needed to adapt to new realities and to be increasingly responsive to the diversified interests of all its members. The Conference was clearly the occasion for providing clear directions for such a process. In line with the mandate of UNCTAD as set forth in General Assembly resolution 1995 (XIX), the functions of UNCTAD could be summarized as follows: research, policy analysis, conceptual innovation; intergovernmental deliberation, and policy formulation, coordination and negotiation; review, follow-up and implementation; and technical cooperation. He noted that concepts such as negotiation, and policy formulation and coordination, appeared to have been a source of misunderstanding. The term negotiation, for example, was often used in UNCTAD to describe very disparate forms of interaction between government delegations, and a greater degree of precision would assist in determining the types of negotiation and subject focus that were or were not acceptable to delegations. Likewise, the import of UNCTAD's policy recommendations was often misread as posing a threat to the executive policy-making powers of other institutions; such recommendations should be seen as political impulses which it was up to these institutions to act upon.

21. On technical assistance, there was warm appreciation of the activities of the secretariat, but also a recognition of the magnitude of unfulfilled needs and requirements. In addition to the need for funding from bilateral donors, emphasis had been placed on the need for constant cross-fertilization between research/policy analysis and technical assistance activities.

22. Regarding the reorientation of the substantive work of UNCTAD, the wide variety of suggestions for new themes or priorities included the identification of interdepencence as a major umbrella theme under which two agenda topics could be addressed: interdependence, growth and development in the world economy; and interrelationships between trade, finance, foreign direct investment, technology, corporate operations and services. Other topics and priorities suggested included: national development experiences and policies; domestic economic management, including the role of markets, the roles of the public and private sectors, and good governance; international

competition policy; economic cooperation among developing countries, with particular emphasis on regional integration; the problems of countries in transition to market economies; the conversion of military capacities to civilian uses; human resources development, poverty eradication, population and migration policies.

23. The importance of the organizational effectiveness and working methods of UNCTAD was another area where new approaches could help to place UNCTAD in the forefront of the international consideration of new issues having a bearing on development. Such new approaches could include a number of options: determining in advance the type of action that might be required on each issue (for example whether - at a given stage - the need was simply to broaden the range of discussion, without proceeding to decision-making); gearing the type of action required on any given issue to the nature and maturity of the issue (i.e. appropriateness of resolutions, decisions and so on as opposed to a summing-up by the presiding officer of views expressed and areas of convergence or divergence); in the case of new and emerging issues, or new aspects of long-standing development problems, launching a process of intensive study and analysis, discussion and deliberation leading to greater mutual understanding and enhanced common perceptions before the negotiation of conclusions or decisions (appropriate topics of current interest would be selected by the Board, which could establish working groups engaging the participation of national policy-makers from interested capitals, and which, having considered the report of such working groups, would decide whether and how policy-oriented discussions or other processes should be pursued); arranging for greater involvement in intergovernmental deliberations of enterprises, trade unions, the academic community, non-governmental organizations and relevant international bodies; greater scope for initiatives by the UNCTAD secretariat in the setting of agendas and on substantive issues, as well as greater recourse by delegations to consultations with, and briefings by, the secretariat; establishing within the Board a mechanism for systematic monitoring, review and follow-up of decisions; adopting more disaggregated approaches to policy analysis, deliberation and prescription, enabling delegations to cooperate in smaller ad hoc formats, depending on the issues involved and their common interests; improved cross-group communications and greater use of established consultative procedures.

24. In conclusion, he said that institutional reform would have to take account of the restructuring exercise launched by the General Assembly in 1990, the institutional follow-up of the outcome of the Uruguay Round, and the initiative recently taken by the General Assembly on the strengthening of institutional arrangements in the area of multilateral trade. If properly pursued, the institutional reform of UNCTAD would itself be a valuable contribution to those processes.

25. The spokesman for Group B (Italy) stated that, from now on, while Group B would continue to express coordinated views on matters of an electoral and procedural nature, it would not speak with only one voice on substantive issues. In other words, in the coming debates and negotiations, delegations of Group B would present their views on the various issues individually and not necessarily through coordinators. In doing this, Group B countries intended to make a concrete contribution to the general desire of allowing a

wider variety of expression in the Board's debates and negotiations and of making more flexible the group system. Group B also hoped that other groups would decide to follow its example so as to reduce the elements of rigidity that had characterized discussions and negotiations in UNCTAD. He added that, in view of the procedural position he had just outlined, he would not address at this stage the many interesting suggestions and ideas put forward by the Secretary-General of UNCTAD in his introductory statement.

26. The representative of the Netherlands, speaking on behalf of the European Economic Community and its member States, said that EEC remained committed to making UNCTAD VIII a success which should conclude with the adoption of a meaningful consensus document. At its current session, the Board should be able to advance considerably the drafting work so as to produce a text which would on the whole be fairly close to the final document, with the differences remaining to be bridged already identified.

27. Outlining the main points of the EEC approach to the outcome of UNCTAD VIII, he said that the Community basically agreed with the idea that the final document of the Conference should reflect a strengthened partnership between the different actors in development. Each operational chapter should contain policy guidelines at both the national and the international level. In addition, the operational chapters should contain orientations for UNCTAD's future work, while systematically taking into account the necessary institutional reforms in each particular sector of UNCTAD's activity. The Community believed that institutional reform was vitally needed for UNCTAD. These efforts should be pursued in parallel with the substantive preparations for UNCTAD VIII, and the outcome of UNCTAD VIII should encompass both aspects. Unless this were done, the collective undertaking to reach consensus on substantive matters would simply be in a vacuum.

28. In the view of the Community, UNCTAD's activities should in the future be more fully focused on development issues, whether at the national, regional or international level. The role of UNCTAD as a forum for analysis, dialogue and technical assistance in relation to development and related issues should be stressed. Greater selectivity was required in carrying forward the negotiation function. Working methods should be improved and made more flexible, particularly as regards the working of the group system, the outcome of the meetings, participation of outside experts and the organization of debates. The overall effect of change should be to make UNCTAD operate in a manner more akin to an institution like OECD, in so far as the methods of work and the secretariat role were concerned, bearing in mind the differences between the two organizations. There was much that UNCTAD could learn from OECD in setting up systems to provide advice to members. In this context, a strong analytical input, exchange of experiences, peer pressure, shorter meetings and a patient search for real compromise should be important features of UNCTAD's work. On the OECD model, UNCTAD committees should, in close interaction with the secretariat, develop analyses of issues on a consensus basis, in order to ensure the best chances of success when, or before, embarking on negotiations. Furthermore, the structure of UNCTAD meetings, in particular the Board and the main Committees, should be reformed in the light of new orientations for the substantive work. The subjects, periodicity and duration of meetings should be adjusted so as to enhance their value.

29. As far as the substantive work was concerned, the principal objective for the Conference was the strengthening of national and international action and multilateral cooperation, and the elaboration of guidelines for national and international policies and measures that would help ensure sustainable growth and participatory development in all developing countries. The main subjects on the agenda of UNCTAD VIII were good management; economic and, in particular, regional cooperation among developing countries; sustainable development; resources for development; international trade; services; technology; and commodities. Each of these subjects should be treated substantially in the final document of the Conference. The relationships between them should be borne in mind when deciding on the allocation of these items to the working groups.

30. The representative of China observed that, at a time of transition and turbulence, the world economy was still developing on a path fraught with serious imbalances. Many developing countries were faced with multiple difficulties in their economic development which were taking them ever farther from that of the developed countries. Further development of the world economy - and the revitalization of the economies of the developing countries in particular - was important and urgent, and UNCTAD VIII provided a good opportunity for the search for solutions.

31. The major theme of UNCTAD VIII - strengthening national and international action and multilateral cooperation for a healthy, secure and equitable world economy - reflected the common interests of all countries. Both the North and South should base their approach on equality and mutual benefit and conduct effective dialogue, so as to establish a new universal partnership for development, in the interest of a sustained and stable growth of the world economy. In developing their national economies, the developing countries should, first and foremost, make their own efforts on the basis of their respective national conditions. However, the improvement of the external environment was equally important. In this regard, the international community, especially the developed countries, should endeavour to create favourable external conditions for the economic development of the developing countries.

32. Resources for development was a matter of the utmost concern to developing countries. In view of the inadequate development finance, the enormous debt burdens and the serious diversion of capital flows faced by the developing countries, the developed countries, the international financial institutions and commercial banks should strengthen their cooperation with the developing countries in the search for appropriate ways to solve their debt problems and increase financial flows to them so that their economic development could be assured.

33. In recent years, serious imbalances had predominated in the development of international trade. Protectionism in developed countries was rising and non-tariff barriers of various descriptions were increasing, thus greatly hampering the exports of developing countries. The developed countries should honour their commitments to curb protectionism and should make their due contribution to strengthening and improving the international trading system, giving impetus to the Uruguay Round of multilateral trade negotiations so that

a package agreement would be reached which would be balanced and fully reflect the interests of developing countries. Effective policy measures should be formulated so that regional economic and trade groupings and bilateral arrangements among developed countries did not hamper the access to their markets of products from developing countries.

34. Commodity exports still played a key role in the economies of most developing countries. However, commodity prices had suffered continuous downfalls throughout the 1980s, and the world commodity trade had been worsening. The international community should find comprehensive and lasting solutions to the problems in commodity trade, which included the improvement of the compensation facilities for the shortfalls in export earnings of the developing countries and the promotion of their participation in the diversification, processing and marketing of their products, so that the developing countries would be assured of stable export earnings.

35. Technology was an important factor in economic development. In recent years, transfer of technologies among developed countries had expanded rapidly whereas such transfers to developing countries had been sharply reduced. The developed countries should liberalize their conditions for technical transfers, and help the developing countries to develop their technological capabilities, so that the developing countries could also share the benefits derived from progress in science and technology. Negotiations on the draft code of conduct on transfer of technology should be resumed and concluded as soon as possible, in order to improve the normal transfer and information exchange of technology worldwide.

36. Although its importance to economic development was increasing, the services industry was still a new field to many developing countries. Its development was relatively backward and needed special nurturing, support and cooperation from the international community, especially the developed countries. The special needs of developing countries should be fully taken into account in formulating relevant rules and regulations in this regard.

37. In view of the unique role played by UNCTAD in the field of trade and development, its functions as a forum for comprehensive analysis and coordination in economic development policies, as a negotiating focal point on trade and development issues, and as a technical assistance institution to developing countries should be further strengthened. UNCTAD should, on the basis of these analyses, carry out an evaluation of the impact of these relationships on developing countries, and formulate strategies and policy measures which would help to promote the economic development of developing countries. Effective monitoring and follow-up mechanisms should be established to guarantee the full and serious implementation of the outcome documents adopted by the intergovernmental bodies of UNCTAD.

38. In the present new international situation, in order to meet the new challenges and better play its role, UNCTAD should study some new issues within its terms of reference and seek their solutions. On the basis of General Assembly decisions on the reform of the economic and social sectors of the United Nations system, UNCTAD should also carry out an appropriate institutional reform of itself, so as to improve its own efficiency and make

an ever greater contribution to the economic development of the developing countries. However, the existing UNCTAD mandate in General Assembly resolution 1995 (XIX) remained valid and the fundamental working orientation of UNCTAD should not be altered.

39. With a view to facilitating the success of UNCTAD VIII, the Government of China had prepared a position paper entitled "Basic considerations on issues on the agenda of UNCTAD VIII" as an input to the Conference (TD/357). The paper set forth the basic views of the Chinese Government on the current world economic situation and the institutional issues of UNCTAD. Concrete proposals on policy measures for important development issues such as resources for development, international trade, services, technology and commodities were also included in the paper. He hoped that these views and proposals would be seriously taken into account in the negotiations on the final documents of UNCTAD VIII.

40. The spokesman for Group D (Bulgaria) said that the countries members of his Group considered that the preparatory work entrusted to the Board was a very important and highly responsible task that was linked with the future development of international economic relations, trade and development. He expressed his Group's appreciation to the Secretary-General of UNCTAD for his interesting, well-balanced and very pragmatic introductory statement. The Group D countries were ready to participate actively and to make their contribution to the work of the current session with a view to helping to achieve a successful and positive outcome for UNCTAD VIII, and they would be making more extensive individual statements on the substantive issues of the Board's work.

41. The representative of Sweden, speaking on behalf of the Nordic countries, Denmark, Finland, Norway and Sweden, said that the Nordic countries hoped that most of the preparatory work for the Conference could be finalized before the end of this session of the Board. A new sense of openness, realism and readiness to discuss issues in a pragmatic manner seemed to have emerged. This had been demonstrated most recently at the Ministerial Meeting of the Group of 77 in Tehran, where a number of Group B countries had for the first time, been invited to participate as observers. He therefore hoped that the discussions and negotiations at the current session would be carried out in a similar spirit of partnership.

42. The United Nations had recently assumed greater importance in the political area. However, in the economic and social fields, the United Nations system seemed to have lost some of its credibility. This also applied to UNCTAD. Industrialized countries, and a growing number of developing countries, were now questioning UNCTAD's role and the way in which it was functioning. Many countries considered that UNCTAD had lost its ability to take initiatives and lost its grasp of issues actually determining international economic relations of importance for the developing countries.

43. A renewed interest from different quarters had been expressed for a revitalization of UNCTAD. The Nordic countries shared this interest because of the importance they attached to the need for, and the potential of, this

organization as a multilateral forum for dialogue on trade and development. These reform issues must therefore be given serious consideration at UNCTAD VIII, along with the substantive issues on the agenda.

44. One of the prerequisites for an increased future relevance and efficiency of UNCTAD was that the confrontational and group-oriented dialogue be replaced by a more open and direct exchange of views. He also underlined the importance of an objective and differentiated analysis, in which both domestic development policies and the international economic environment constituted integral and well-balanced themes. Negotiations in UNCTAD should only be the result of a process in which highly selective issues had been allowed to mature until they were ripe for such a phase. Another important reform that might attract the attention of capitals and other international organs to the work of UNCTAD could be to replace the present structure of committees by shorter issue-oriented expert meetings, which would report to the Board. Greater involvement of external actors such as independent researchers, private enterprises, NGOs and others would certainly also be of benefit. Thus, if UNCTAD was to resume its leadership role in the North-South dialogue and to become the unique forum for discussion of international trade and development, it must be reformed and revitalized. If nothing changed, there was a risk of a further marginalization of UNCTAD.

45. Concerning technical assistance, the Nordic countries were of the view that UNCTAD should continue to provide such assistance in areas where it had competence and a comparative advantage. The Technical Assistance Programme should be designed to interact usefully with the analytical and policy-advisory role of UNCTAD.

46. Finally, he said that the Nordic countries would participate at this session of the Board and at Cartagena in a spirit founded on the desire to restore UNCTAD's legitimate and important role in the United Nations system. In order to contribute to the discussion on the institutional issue, the Nordic countries intended to submit some reflections on this subject in the course of the current session. (Subsequently circulated to the Board in TD/B(S-XVII)/CRP.1).

47. The representative of Poland said that the Seventh Ministerial Meeting of the Group of 77, in which Poland had had the privilege of participating as an observer, had contributed to the reinvigoration of the development dialogue based on pragmatism, realism and mutual interest. Only such an approach could strengthen national and international action aimed at accelerated and sustainable development and a secure and equitable world economy.

48. His delegation noted with satisfaction that the Ministerial Meeting held the political and economic reforms now taking place in the countries of Central and Eastern Europe to be a positive factor that strengthened mutual cooperation with developing countries. Indeed, statistical data for the past two years showed a dramatic increase in Polish imports from some developing countries. However, the full potential for trade and economic cooperation had not yet been fully achieved. The radical changes in the Polish economy made his country more accessible to trade, financial and investment cooperation with foreign partners, including the developing countries. External economic

assistance rendered to Poland, though very important, constituted only an additional element to its own efforts. Poland fully realised that it had the primary responsibility for the success of its economic development.

49. The Tehran Declaration contributed to the strengthening of a newly emerging international consensus on several crucial aspects of development. He noted especially the realistic and balanced approach to internal and external factors of development. Equally important to his country was the need for the survival of multilateralism. In the context of global interdependence and in the light of the recent changes in the international environment, UNCTAD, as a universal and democratic body could play an important role in building a new consensus around the fundamental principles that should characterize international cooperation in the 1990s. To face this challenge, UNCTAD needed to adjust in almost every aspect of its functioning. The process of adjustment must be tuned to the ongoing reform of the economic and social sectors of the United Nations and take into account processes in other multilateral organizations. The only alternative to adjustment was for UNCTAD to lose its relevance. In this process, due account must be taken of the results of the Uruguay Round and the recommendations of the General Assembly concerning the strengthening of institutional arrangements in the area of multilateral trade.

50. UNCTAD should be also more responsive to the changing concerns and increasingly diverse interests of all its member States. Its work and effectiveness would benefit from better mutual understanding and a greater degree of convergence of views on national and international development policy. It could not remain indifferent to the radical changes taking place in the countries of Central and Eastern Europe. Many elements of General Assembly resolution 1995 (XIX) had lost their relevance and meaning, especially references to relations between countries with different economic and social systems. He hoped that, in rationalizing its work, UNCTAD would set this issue in the right perspective. Poland was ready to contribute to achieving rational solutions in this field.

51. It was also necessary to adjust the methods of negotiation, which should allow for complementary forms of country association through a flexible group system. This was an indispensable element of the revitalization of UNCTAD. The increasingly complex world economy was generating greater diversity of national interests, which in turn created new clusters of sectoral interests across traditional groups in North-South relations. A large group of countries - in the East, the South and some of them in the West - were undertaking vast and bold economic and social transformations with apparently common goals and interests. They could be exchanging their experience not only with respect to the macroeconomic strategy of adjustment but also to the microeconomic strategy. Here, UNCTAD could play a significant role provided that more flexible work methods were introduced.

52. The process of integration with the world economy offered vast possibilities for interregional contacts, as shown by Poland's recent and encouraging cooperation with the Latin American and Asian countries. Such cooperation should expand and cover other regions or subregions. UNCTAD might serve as a forum for such expansion.

53. In future UNCTAD activities, due account should be taken of new areas of concern to the international community such as sustainable development, human resources, the link between trade, transfer of technology and direct investments, and the promotion of market mechanisms and the private sector.

54. The representative of Bulgaria congratulated the Secretary-General of UNCTAD for his analytical and well-balanced report to UNCTAD VIII. This report was marked by three main characteristics: a modern and democratic vision of the new world political scene, important new ideas on vital problems of economic growth, trade and development, and concrete solutions and policy measures aimed at creating a more healthy, secure and equitable world economy. The comprehensive programme developed in the report was a good basis for the deliberations at the Conference, aimed at imparting new life both to multilateral economic cooperation and development and to UNCTAD itself. Hence, the task of the special session of the Board was not only the final preparation and organization of the Conference, but also the further development of various ideas and suggestions for finding realistic solutions for a new international economic order.

55. Bulgaria was facing a difficult period without precedent in its post-war history. The transition process was not only very painful but also rather unpredictable and controversial. Early enthusiasm for economic reform had very quickly been replaced by a sober assessment of how far the country had progressed in the way of stabilization, liberalization and privatization; how long the process might last; how to cope with increasing unemployment and social tensions; and finally, who should bear the high price for these fundamental systemic changes. For the price to be paid for the multi-party political system and the building of a market economy was very high, as rightly underlined in the report of the Secretary-General to UNCTAD VIII. However, there was a broad national consensus that there was no other way to save the country from the totalitarian past and to ensure for the future a free and independent pathway to democracy and to political and economic freedom.

56. After outlining in some detail the current development of the Bulgarian economic reform, he stated that the new Bulgarian Government was negotiating with IMF a new stand-by loan and that the World Bank might provide credits for the development of vital sectors, such as infrastructure and telecommunications. The systemic changes would be accelerated in the course of 1992 and by the beginning of 1993 one could expect to see the first signs of the recovery of the Bulgarian economy.

57. He observed that the current session of the Board was taking place at a time when profound changes throughout the world were offering both new opportunities and challenges. The key problem was how to convert the dangerous challenges into a promising opportunity, how to ensure the stable and equitable development of the world economy, how to respond to the interests of the developed and developing countries, and how to find a new democratic balance between the political and economic realities. Some economists were of the opinion that now for the first time there were real political, economic and technological conditions for the peaceful solution of

the major world problems. He felt that this was a realistic vision. To that end, multilateral economic cooperation had to play a growing and very important role, now and in the future.

58. UNCTAD was in the centre of this process, as a universal and democratic international forum responsible for the vital and long-standing problems of economic growth and development. For this purpose, UNCTAD had not only to be adapted to the new realities but also to generate new ideas and solutions, and to enter new areas of concern such as environmental issues, sustainable development and its implications for national policies, new solutions in the management of interdependence, international competition policies and entrepreneurial initiative to enhance economic efficiency. That was why Bulgaria supported the vision of the development of the three basic functions of UNCTAD set out in its mandate, namely the global analytical work and policy coordination, negotiations, and technical cooperation.

59. He felt that UNCTAD should give more substantial attention to the problems of countries that were in transition to a market-economy system, including the East and Central European countries. It was well known that at present some of these countries, if not all of them, were in a critical economic situation, comparable to that of some of the developing countries. Nor was this, in his view, a temporary phenomenon. He supported also the idea of inspiring a new sense of partnership in UNCTAD, bearing in mind the different interests of all groups of countries and of each individual country.

60. Turning to the problem of the improved efficiency of UNCTAD, his country supported the main ideas of the Secretary-General on this important issue. Special attention had to be given to the reform of the UNCTAD group system. The new environment required a more flexible and democratic group system and even the creation of a wider group gathering of different countries interested in selected problems. The first steps in this direction had been taken during the informal consultations with the Secretary-General in October 1991.

61. The representative of the Union of Soviet Socialist Republics said that it was at present difficult to describe adequately the position of the Soviet Union with respect to UNCTAD VIII, since the individual sovereign States that made up the Union had to be consulted and agree on their approaches. However, a few preliminary observations were possible, based on the common interests of the States forming part of the confederation.

62. What was expected from UNCTAD was, firstly, that the conditions should be established for world trade to be developed and liberalized and that unjustified protectionism and discrimination should be halted. Soviet organizations and enterprises were particularly interested in securing free access to world markets. Secondly, markets should be stabilized, above all commodity markets. Since UNCTAD VII, his country had suffered severe export earnings shortfalls, and its terms of trade had deteriorated markedly.

63. His country found itself in an ambiguous situation. On the one hand, it belonged in certain respects to the category of industrially developed countries. For example, its per capita GNP lay between that of the developing and that of the Group B countries, it had been an important source of

financial and technical assistance for developing countries, and it was a major importer of commodities and other products from developing countries. On the other hand, its situation was in other respects close to that of developing countries. For example, its exports consisted mainly of sources of energy and other commodities, with a very low proportion of manufactures, and its terms of trade had been more badly affected than most developing countries, including the least developed countries.

64. UNCTAD should better fulfil its role as a universal organization working in the interests of all groups of countries. The statements made to the Board so far suggested that consensus was possible and that his country's interests could be taken into account in the programmes of action for the 1990s. In that connection, it was hoped that the signatories to the Tehran Declaration would regard the measures called for therein as applying to his country also.

Action taken by the Board at its 801st (closing) meeting, on 13 December 1991

Organization of the work of the eighth session of the United Nations Conference on Trade and Development (agenda item 2)

65. The President drew attention to document TD/B(S-XVII)/CRP.2 "Information and preliminary suggestions concerning the organization of the work of the Conference" and TD/INF.26 "Establishment of a List of Speakers". The Board took note of these documents on the understanding that it could revert to some of the issues raised in them at the second part of the seventeenth special session.

66. As is customary for the organization of the Conference, the Board had to select the country that will be seated first in the alphabetical order in Cartagena de Indias. The name of the country drawn by lot was Iraq.

67. The Board also agreed that the country nameplates to be used at Cartagena should follow the Spanish alphabetical order, since UNCTAD VIII is being held in Latin America.

Substantive preparations for the eighth session of the Conference (agenda item 3)

68. In accordance with the recommendation of the Committee of the Whole and in the light of the extremely valuable in-depth and fruitful deliberations on the position papers of groups and delegations and on the pre-negotiating text prepared by the Secretary-General of UNCTAD (UNCTAD VIII/R.1 and Add.1), the Board decided to request the Secretary-General of UNCTAD to submit a revised version of his pre-negotiating texts to the Board at the second part of its seventeenth special session.

69. Acting on a recommendation by the Bureau, the Board decided that the second part of the seventeenth special session of the Board would be convened from 15 to 24 January 1992.

Chapter II

PROCEDURAL, INSTITUTIONAL, ORGANIZATIONAL AND ADMINISTRATIVE MATTERS

A. Opening of the session

70. The first part of the seventeenth special session of the Trade and Development Board was opened on 2 December 1991 by the President of the Board, Mr. Thomas Ogada (Kenya). (For the opening remarks made by the President, see Introduction, para. 1.)

B. Officers

71. The officers for the first part of the seventeenth special session of the Board were the same as for the first part of the thirty-eighth session. (Cf. TD/B/1309 (Vol.II), paras. 443-444.)

C. Adoption of the agenda and organization of the work of the session (Agenda item 1 (a))

72. At its 798th (opening) meeting, on 2 December 1991, the Board adopted the provisional agenda approved at its 788th meeting, together with the annotations thereto (TD/B/1294 and Add.1). (The agenda as adopted is reproduced in the annex to this volume.)

73. At the same meeting, the Board decided to establish a Committee of the Whole, under the chairmanship of the President of the Board, to consider and report on the following agenda items:

Item 2 - Organization of the work of the eighth session of the United Nations Conference on Trade and Development

Item 3 - Substantive preparations for the eighth session of the Conference.

It was agreed that the Committee of the Whole would be open-ended and meet informally, and that it would report to the Plenary on the items referred to it.

74. At its 799th meeting, on 2 December 1991, the Board agreed to proceed on the basis of the organization of work outlined in TD/B/1294/Add.2, but with adjustments in the tentative timetable in annex II of that document. In particular, the Board decided that two days - i.e. 4 and 5 December 1991 - would be devoted to informal exchanges on the outcome of the Encounters and Seminars that had been held throughout 1991 on specific issues that were of interest to the themes to be dealt with at UNCTAD VIII. The Board noted that the informal exchanges would be structured as follows:

1. Issues related to domestic economic management:

   - The role of the private sector and market forces (Caracas, Berlin)

   - Good management, public policy and democratization (Caracas)

- The economic transition in developing countries and countries of Eastern Europe (Caracas)

2. Issues related to sustainable development and commodities:

- The linkages between environment and development
- Environment and trade (Oslo)
- Financial resources for environment and development (Oslo)
- Environment and technology (Oslo)
- Commodities and environment (Moscow, Abidjan, Oslo)

3. Issues related to globalization and international competition:

- Trade and technological change (Jakarta)
- Trade efficiency (Jakarta)
- International framework of rules and principles for competition (Jakarta)

4. Institutional issues:

The role of UNCTAD in the 1990s (Santa Fé de Bogotá)

- In the light of this role, the review of the functions, the working methods and the negotiating mechanisms of UNCTAD (Santa Fé de Bogotá)
- UNCTAD's relations with non-governmental actors: enterprises (Berlin), trade unions (Geneva), and NGOs (Geneva).

D. Membership and attendance

75. The following States members of UNCTAD, members of the Board, were represented at the session: Afghanistan; Algeria; Argentina; Australia; Austria; Bahrain; Bangladesh; Belarus; Belgium; Benin; Bhutan; Bolivia; Brazil; Bulgaria; Burundi; Cameroon; Canada; Chile; China; Colombia; Côte d'Ivoire; Cuba; Cyprus; Czechoslovakia; Democratic People's Republic of Korea; Denmark; Dominica; Dominican Republic; Ecuador; Egypt; El Salvador; Ethiopia; Finland; France; Germany; Ghana; Greece; Hungary; India; Indonesia; Iran (Islamic Republic of); Iraq; Ireland; Israel; Italy; Jamaica; Japan; Jordan; Kenya; Kuwait; Lebanon; Libyan Arab Jamahiriya; Liechtenstein; Madagascar; Malaysia; Malta; Mexico; Mongolia; Morocco; Myanmar; Nepal; Netherlands; New Zealand; Nicaragua; Nigeria; Norway; Oman; Pakistan; Panama; Peru; Philippines; Poland; Portugal; Qatar; Republic of Korea; Romania; Saudi Arabia; Senegal; Singapore; Somalia; Spain; Sri Lanka; Sudan; Sweden; Switzerland; Syrian Arab Republic; Thailand; Trinidad and Tobago; Tunisia; Turkey; Ukraine; Union of Soviet Socialist Republics; United Kingdom of Great Britain and Northern Ireland; United Republic of Tanzania; United States of America; Uruguay; Venezuela; Viet Nam; Yemen; Yugoslavia; Zimbabwe.

76. The following States members of UNCTAD, not members of the Board, were represented at the session: Brunei Darussalam, Holy See.

77. Palestine participated pursuant to General Assembly resolution 3237 (XXIX); the Pan Africanist Congress of Azania participated pursuant to General Assembly resolution 3280 (XXIX).

78. The Office of the Director-General for Development and International Economic Cooperation; United Nations Development Programme were represented at the session. The International Trade Centre UNCTAD-GATT was also represented at the session.

79. The following specialized agencies were represented at the session: Food and Agriculture Organization of the United Nations; World Bank; International Monetary Fund; World Intellectual Property Organization; United Nations Industrial Development Organization. The General Agreement on Tariffs and Trade was also represented at the session.

80. The following intergovernmental organizations were represented at the session: ACP-EEC Joint Assembly; African, Caribbean and Pacific Group of States; Common Fund for Commodities; Commonwealth Secretariat; European Economic Community; Latin American Economic System; League of Arab States; Organisation for Economic Cooperation and Development.

81. The following non-governmental organizations were represented at the session: General Category: International Bar Association; International Chamber of Commerce; World Assembly of Small and Medium Enterprises; World Federation of United Nations Associations. Special Category: International Air Transport Association; International Association of Islamic Banks; Professional Association of Natural Rubber in Africa.

E. Adoption of the report on credentials (Agenda item 1 (b))

82. At its opening meeting, the Board decided that the credentials of representatives attending the first and second parts of the seventeenth special session should be considered together at the second part of the session.

F. Institutional, organizational, administrative and related matters (Agenda item 4)

83. Also at its opening meeting, the Board took action on sub-items 4 (a), 4 (b), 4 (c) and 4 (d) as follows:

Item 4 (a) - Treatment of new States members of UNCTAD for purposes of elections

84. The Board took note that the membership of UNCTAD remained unchanged and stood at 171.

Item 4 (b) - Announcement of any changes in the membership of the Board and election to membership of main Committees

85. The Board elected Dominica to membership of the Trade and Development Board, bringing the membership of the Board to 131. The Board noted that, accordingly, the membership of the Conference, the Board and the main Committees was as reflected in TD/B/INF.178/Rev.2, with the addition of Dominica to the list of members of the Board.

Item 4 (c) - Designation of intergovernmental bodies for the purposes of rule 76 of the rules of procedure of the Board

86. The Board took note that the Council for Mutual Economic Assistance (CMEA) had been dissolved and had ceased its activities at the end of September 1991, and that it would therefore be deleted from the list of IGOs in status with UNCTAD.

Item 4 (d) - Designation and classification of non-governmental organizations for the purposes of rule 77 of the rules of procedure of the Board

87. The Board noted that no applications were before the Board at the first part of its seventeenth special session.

88. The Board further decided that items 4 (c) and 4 (d) should be left open and taken up again at the second part of the seventeenth special session, if appropriate. Up-dated lists of IGOs and NGOs in status with UNCTAD would be issued, in due course, in TD/B/INF.106/Rev.5 and TD/B/INF.107/Rev.5, respectively.

G. Adoption of the report of the Board
(Agenda item 6)

89. At its 801st (closing) meeting, on 13 December 1991, the Board adopted the draft report on the first part of its seventeenth special session (TD/B/L.927) and authorized the Rapporteur to complete the report as appropriate. The Board also agreed that the full reports of the Board on the first and second parts of its special session would be issued together in a single document after the end of the second part.

Part Two

REPORT OF THE TRADE AND DEVELOPMENT BOARD ON THE
SECOND PART OF ITS SEVENTEENTH SPECIAL SESSION

CONTENTS

		Paragraphs
I.	Introduction	1 - 20
	A. Opening of the session	1
	B. Replacement of officers	2 - 3
	C. Agenda and organization of work	4 - 6
	D. Membership and attendance	7 - 13
	E. Adoption of the report on credentials	14
	F. Institutional, organizational, administrative and related matters	15 - 19
	G. Adoption of the report of the Board	20
II.	Action by the Trade and Development Board at the second part of its seventeenth special session	21 - 29
III.	Statements made at the 803rd (closing) meeting, on 24 January 1992	30 - 37
Annex:	Agenda for the seventeenth special session of the Trade and Development Board	

I. INTRODUCTION

A. Opening of the session

1. The second part of the seventeenth special session of the Trade and Development Board was opened on 15 January 1992 by the President of the Board, Mr. Thomas Ogada (Kenya).

B. Replacement of officers

2. At its 802nd (opening) meeting, on 15 January 1992, the Board elected Mr. Luis de Oliveira Nunes (Portugal) as Vice-President of the second part of the seventeenth special session to replace Mr. Johan Frederik Boddens-Hosang (Netherlands). At its 803rd (closing) meeting, on 24 January 1992, the Board took note that Mr. T.V. Teodorovich (Russian Federation), Vice-President at the first part of the seventeenth special session, had been replaced at the second part of the session by Mr. A. Akopian (Russian Federation).

3. Accordingly, the Bureau of the Board at the second part of its seventeenth special session was as follows:

President:	Mr. Thomas Ogada	(Kenya)
Vice-Presidents:	Mr. Morris B. Abram	(United States of America)
	Mr. Petr Bambas	(Czechoslovakia)
	Mr. Lloyd M.H. Barnett	(Jamaica)
	Mr. Luis de Oliveira Nunes	(Portugal)
	Ms. Taous Feroukhi	(Algeria)
	Mr. Giulio di Lorenzo Badia	(Italy)
	Mr. Jamtono Rahardjo	(Indonesia)
	Mr. Fawaz Sharaf	(Jordan)
	Mr. Anton Akopian	(Russian Federation)
	Mr. Arnold Willen	(Sweden)
Rapporteur:	Mr. Iñigo Salvador-Crespo	(Ecuador)

C. Agenda and organization of work

4. The agenda for the seventeenth special session of the Board is reproduced in the annex below.

5. At its 802nd (opening) plenary meeting, on 15 January 1992, the Board mandated the two Working Groups to consider the revised pre-negotiating text (TD/B(S-XVII)/CRP.4 and Add.1 to Add.5) with a view to advancing the preparations for the Conference.

6. In this regard it was decided that Working Group I would take up TD/B(S-XVII)/CRP.4/Add.1 to 3 and Working Group II TD/B(S-XVII)/CRP.4/Add.4 and 5. Paragraph 18 of Add.3 and footnote 2/ related to paragraph 21 of Add.3 were remitted to Working Group II on the understanding that Working Group I would also take up the issues concerned in the context of its overall responsibility for the item on institutional matters. The Chairmen of the two Working Groups would maintain close contact with a view to coordinating their work on those issues.

D. Membership and attendance

7. The following States members of UNCTAD, members of the Board, were represented at the session: Afghanistan; Algeria; Argentina; Australia; Austria; Bahrain; Bangladesh; Belarus; Belgium; Bhutan; Bolivia; Brazil; Bulgaria; Burundi; Cameroon; Canada; Chile; China; Colombia; Côte d'Ivoire; Cuba; Cyprus; Czechoslovakia; Democratic People's Republic of Korea; Denmark; Dominica; Dominican Republic; Ecuador; Egypt; El Salvador; Ethiopia; Finland; France; Germany; Ghana; Greece; Honduras; Hungary; India; Indonesia; Iran (Islamic Republic of); Iraq; Ireland; Israel; Italy; Jamaica; Japan; Jordan; Kenya; Kuwait; Lebanon; Liberia; Libyan Arab Jamahiriya; Liechtenstein; Luxembourg; Madagascar; Malaysia; Malta; Mexico; Mongolia; Morocco; Myanmar; Namibia; Nepal; Netherlands; New Zealand; Nicaragua; Nigeria; Norway; Oman; Pakistan; Panama; Paraguay; Peru; Philippines; Poland; Portugal; Qatar; Republic of Korea; Romania; Russian Federation; Sao Tome and Principe; Saudi Arabia; Senegal; Singapore; Somalia; Spain; Sri Lanka; Sudan; Sweden; Switzerland; Syrian Arab Republic; Thailand; Togo; Trinidad and Tobago; Tunisia; Turkey; Ukraine; United Arab Emirates; United Kingdom of Great Britain and Northern Ireland; United Republic of Tanzania; United States of America; Uruguay; Venezuela; Viet Nam; Yemen; Yugoslavia; Zimbabwe.

8. The following States members of UNCTAD, not members of the Board, were represented at the session: Albania; Brunei Darussalam; Cape Verde; Equatorial Guinea; Holy See.

9. Palestine participated pursuant to General Assembly resolution 3237 (XXIX); the Pan Africanist Congress of Azania participated pursuant to General Assembly Resolution 3280 (XXIX).

10. The Office of the Director-General for Development and International Economic Cooperation; United Nations Development Programme were represented at the session. The International Trade Centre UNCTAD/GATT was also represented at the session.

11. The following specialized agencies were represented at the session: Food and Agriculture Organization of the United Nations; World Bank; International Monetary Fund; World Intellectual Property Organization; United Nations Industrial Development Organization. The General Agreement on Tariffs and Trade was also represented at the session.

12. The following intergovernmental organizations were represented at the session: ACP-EEC Joint Assembly; African, Caribbean and Pacific Group of States; Common Fund for Commodities; Commonwealth Secretariat; European Economic Community; Latin American Economic System; League of Arab States; Organisation for Economic Cooperation and Development; Permanent Secretariat of the General Treaty on Central American Economic Integration.

13. The following non-governmental organizations were represented at the session: General Category: Friends World Committee for Consultation (Quakers); International Bar Association; International Chamber of Commerce; World Assembly of Small and Medium Enterprises; World Confederation of Labour; World Federation of United Nations Associations. Special Category: International Air Transport Association; International Association of Islamic Banks; Professional Association of Natural Rubber in Africa.

E. Adoption of the report on credentials
(Agenda item 1 (b))

14. At its 803rd (closing) meeting, the Board adopted the report of the Bureau on the credentials of representatives attending the first and second parts of its seventeenth special session (TD/B/1316).

F. Institutional, organizational, administrative and related matters
(Agenda item 4)

15. Also at its opening meeting, the Board took action on sub-items 4 (a), 4 (b), 4 (c) and 4 (d) as follows:

Item 4 (a) - Treatment of new States members of UNCTAD for purposes of elections

16. The Board took note that the membership of UNCTAD remained unchanged and stood at 171. Under this item attention was drawn to a change in the name of one member State: henceforth the name "Russian Federation" is to be used in place of the name "Union of Soviet Socialist Republics".

Item 4 (b) - Announcement of any changes in the membership of the Board and election to membership of main Committees

17. The Board elected Mongolia to membership of the Committee on Shipping, bringing the membership of the Committee to 104.

Item 4 (c) - Designation of intergovernmental bodies for the purposes of rule 76 of the rules of procedure of the Board

18. No new applications from IGOs had been submitted to the second part of the seventeenth special session. However, the Board took note that the Central Office for International Railway Transport (OCTI) was now called the Intergovernmental Organization for International Carriage by Rail (OTIF).

Item 4 (d) - Designation and classification of non-governmental organizations for the purposes of rule 77 of the rules of procedure of the Board

19. The Board noted that no new applications from NGOs had been submitted to the second part of the seventeenth special session.

G. Adoption of the report of the Board
(Agenda item 6)

20. At its 803rd (closing) meeting, on 24 January 1992, the Board adopted the draft report on the second part of its seventeenth special session (TD/B/L.928) and authorized the Rapporteur to complete the final report as appropriate.

II. ACTION BY THE TRADE AND DEVELOPMENT BOARD AT THE SECOND PART OF ITS SEVENTEENTH SPECIAL SESSION

A. Organization of the work of the eighth session of the United Nations Conference on Trade and Development (Agenda item 2)

21. At the 803rd (closing) meeting, on 24 January 1992, the President, referring to the note by the UNCTAD secretariat (TD/B(S-XVII)/CRP.2), drew attention to those organizational questions which required further consideration prior to the Pre-Conference Meeting of Senior Officials. The Board's attention was also drawn to the annotated provisional agendas for the Pre-Conference Meeting of Senior Officials (TD/PCM/1) and for the Conference itself (TD/353).

22. With regard to the list of speakers in the General Debate (which had been opened in Geneva on 6 January 1992), the Board was informed that this operation would be transferred to Cartagena de Indias on 30 January.

23. Finally, the Board noted that, in response to a proposal presented by the Chairman of the Group of 77, it had been suggested that one plenary meeting of the Conference, in the context of the general debate, be devoted to the least developed countries on the afternoon of 11 February 1992.

B. Substantive preparations for the eighth session of the Conference (Agenda item 3)

24. Also at the closing meeting, the Chairmen of Working Group I (Jamaica) and Working Group II (France) reported on the outcome of their Groups' deliberations. The Board also heard a report by the Chairman of Working Group I on the joint meeting of the two Working Groups.

25. The Board noted from the oral report of the Chairman of Working Group I that the status of the documents emanating from that Group was as follows:

- For TD/B(S-XVII)/CRP.4/Add.1 (i.e. Part I - "Challenges and potentials for development in the 1990s") the review in Working Group I had resulted in a new document (TD/B(S-XVII)/WG.I/L.1), which could be regarded as a document of the Working Group, and no longer of the secretariat.

- TD/B(S-XVII)/CRP.4/Add.2 (i.e. Part II - "Broad policy orientations") and TD/B(S-XVII)/CRP.4/Add.3 (i.e. Part III - "UNCTAD in a changing political and economic environment: institutional matters") both remained in their secretariat form, although they had been reviewed by the Working Group. Part III, excluding paragraph 18 and footnote 2/ to paragraph 21, would be ready for Cartagena after the secretariat had fully taken into account the diverse views expressed on Add.3.

- With respect to paragraph 18 and footnote 2/ to paragraph 21, a joint meeting of Working Groups I and II had agreed that the presiding Chairman would prepare, on his own authority and for the consideration of the participants in Cartagena, a document dealing with paragraph 18 and footnote 2/ to paragraph 21.

26. The Board noted from the oral report of the Chairman of Working Group II that the status of the documents emanating from that Group was as follows:

- For TD/B(S-XVII)/CRP.4/Add.4 (i.e. Part IV - "Policies and measures"), the review in Working Group II had resulted in the following new Working Group documents: TD/B(S-XVII)/WG.II/L.1 and Add.1.

- For TD/B(S-XVII)/CRP.4/Add.5 (i.e. Part V - "Issues relating to the least developed countries and economic cooperation among developing countries"), the review by the Working Group had resulted in the following new Working Group documents: TD/B(S-XVII)/WG.II/L.2 and TD/B(S-XVII)/WG.II/L.3.

27. Furthermore, the Board was informed that, when Working Group II had examined the item on the least developed countries, delegations of those countries had expressed their wish to see this issue dissociated from the item on economic cooperation among developing countries.

28. The Board decided that the texts emanating from the two Working Groups would constitute the basic negotiating text to be transmitted to the Conference. (The text was subsequently circulated to the Conference in TD/L.320 and Add.1-5.)

C. Other business
(Agenda item 5)

Provisional calendar of meetings for the remainder of 1992 and draft schedule of meetings for 1993

29. At the same meeting, the Board approved the provisional calendar of meetings for the remainder of 1992 and the draft schedule of meetings for 1993 in TD/B(S-XVII)/CRP.5 for planning purposes, on the understanding that the calendar would be further reviewed at UNCTAD VIII and would be adjusted, as necessary, in the light of the outcome of the Conference.

III. STATEMENTS MADE AT THE 803rd (CLOSING) MEETING, ON 24 JANUARY 1992

30. The representative of Colombia referred to the expectations and good will existing in his country vis-à-vis the eighth session of the Conference in Cartagena and said that his Government had done everything possible at the logistical and planning level to smooth the path to the Conference. The current session of the Board had brought to the fore two facts that would have a decisive effect on the Conference in Cartagena. The first was that all countries would be attending the Conference in a constructive spirit and with a genuine will to reach agreements which would enable them to achieve, not just another declaration of which there were already so many on various subjects, but rather a real commitment and an agreement. The second fact to emerge during the Board was that there was still a long way to go before such agreement could be reached. Participants should therefore not underestimate the difficulties ahead nor the efforts which all parties would have to make to resolve the issues which had been long outstanding and on which, in a constructive and cooperative spirit, they should now make real progress. The Board had enabled countries to express attitudes and viewpoints - some of them well known, others quite novel - both on long-standing themes and on new issues which had been brought to the attention of the Board. This restatement of views had served as a useful "warm-up" for the Conference.

31. However, it was to be hoped that this restatement of views would not be repeated at the Conference. As host country, Colombia looked forward to seeing the participants arriving in Cartagena with, from the outset, a sense of commitment to advancing rapidly towards agreements to be adopted at the close of the Conference. He believed that if delegations participated from the outset in a spirit of agreement and commitment, and above all with a transparent and constructive approach, they could examine the issues in greater depth and ensure that the conclusions which would emerge from the Conference were of higher quality. Accordingly, the host country appealed to all countries to take a fresh look at their mandates in the coming days and to renew their instructions on the basis of the conclusions which each one of them had drawn from the work of the Board at its current session. He felt that the atmosphere in Cartagena would favour great cordiality and understanding among countries and groups of countries and, above all, the determination to agree on what was right and just. In this rapidly changing world, amid the procedural considerations and throughout the process of negotiation, analysis and policy formulation which characterized the work of UNCTAD, delegations should be ever mindful that the main focus of their concern was the well-being of the individual. It was this human dimension which, in every region of the earth, would be affected in the future by the economic, political, technological, trade, and investment decisions which delegations might take in Cartagena.

32. Colombia was approaching the Conference with the utmost seriousness. It was not often that his country offered to host an event of this kind, but it had done so this time with a sense of high expectation. The preparatory work for the Conference gave reasons for hoping that these expectations could become a reality for the benefit of all countries. Colombia was waiting to welcome all delegations in Cartagena with enthusiasm and friendship, and with the hope that they would have a useful and productive Conference. His country

was determined to offer every form of help and collaboration so that the Conference would be remembered as one of the most agreeable and important moments in the life of UNCTAD as well as in the process of international cooperation and multilateral commitments.

33. The spokesman for Group B (Italy) said that, even if the members of the Board had diverged on some issues - and indeed still held divergent views on a number of questions - they were all engaged in a common endeavour of finding a more prominent and meaningful role for UNCTAD in the development debate. He hoped that the desire to attain this goal would increase in the time remaining until the Conference in Cartagena. For its part, Group B wished to assure the Colombian Government of its determination to contribute positively to a very successful outcome of the Conference.

34. The spokesman for the Group of 77 (Uruguay) underlined the cooperative atmosphere which had prevailed during the Board's deliberations at the current session. The countries of the Group of 77 would continue to work in this same spirit in the endeavour to attain a successful result for UNCTAD VIII.

35. The spokesman for Group D (Bulgaria) said that the Group D countries considered that the eighth session of the Conference would be one of the major events in the international economy in 1992 and they wished every success to the Conference in achieving substantial results. The Conference was of vital importance for the economies and development of all countries and for the future of the international economy and world trade. Group D countries would make their due contribution to the achievement of these results.

36. The representative of China expressed his delegation's gratitude to the Government of Colombia for the preparations it had been making in its capacity as host country for UNCTAD VIII. Thanks to the efforts and spirit of cooperation shown by all participants, the Board had achieved useful results at its current session and had laid a good foundation for the work in Cartagena. It was his hope that the Conference would continue to work in the same constructive spirit based on mutual understanding, in order to ensure a successful outcome. His delegation stood ready to contribute fully to this endeavour.

37. In closing the second part of the seventeenth special session of the Board, the President said that an excellent spirit of constructive cooperation and dialogue had prevailed and he urged participants to move with the same spirit to Cartagena. Working Groups I and II had been able to carry out a detailed review of the revised pre-negotiating text for UNCTAD VIII. Even if some of the paragraphs in this text had been square-bracketed, the fact that the pre-negotiating text had been reviewed in its entirety was indeed a major progress. This augured well for the eighth session of the Conference.

Annex

AGENDA FOR THE SEVENTEENTH SPECIAL SESSION
OF THE TRADE AND DEVELOPMENT BOARD

1. Procedural matters:

   (a) Adoption of the agenda and organization of the work of the session;

   (b) Adoption of the report on credentials

2. Organization of the work of the eighth session of the United Nations Conference on Trade and Development

3. Substantive preparations for the eighth session of the Conference

4. Institutional, organizational, administrative and related matters:

   (a) Treatment of new States members of UNCTAD for purposes of elections;

   (b) Announcement of any changes in the membership of the Board and election to membership of main Committees;

   (c) Designation of intergovernmental bodies for the purposes of rule 76 of the rules of procedure of the Board;

   (d) Designation and classification of non-governmental organizations for the purposes of rule 77 of the rules of procedure of the Board;

   (e) Administrative and financial implications of the actions of the Board

5. Other business

6. Adoption of the report of the Board

كيفية الحصول على منشورات الامم المتحدة

يمكن الحصول على منشورات الامم المتحدة من المكتبات ودور التوزيع في جميع انحاء العالم . استعلم عنها من المكتبة التي تتعامل معها أو اكتب الى : الامم المتحدة ،قسم البيع في نيويورك او في جنيف .

如何购取联合国出版物

联合国出版物在全世界各地的书店和经售处均有发售。请向书店询问或写信到纽约或日内瓦的联合国销售组。

HOW TO OBTAIN UNITED NATIONS PUBLICATIONS

United Nations publications may be obtained from bookstores and distributors throughout the world. Consult your bookstore or write to: United Nations, Sales Section, New York or Geneva.

COMMENT SE PROCURER LES PUBLICATIONS DES NATIONS UNIES

Les publications des Nations Unies sont en vente dans les librairies et les agences dépositaires du monde entier. Informez-vous auprès de votre libraire ou adressez-vous à : Nations Unies, Section des ventes, New York ou Genève.

КАК ПОЛУЧИТЬ ИЗДАНИЯ ОРГАНИЗАЦИИ ОБЪЕДИНЕННЫХ НАЦИЙ

Издания Организации Объединенных Наций можно купить в книжных магазинах и агентствах во всех районах мира. Наводите справки об изданиях в вашем книжном магазине или пишите по адресу: Организация Объединенных Наций, Секция по продаже изданий, Нью-Йорк или Женева.

COMO CONSEGUIR PUBLICACIONES DE LAS NACIONES UNIDAS

Las publicaciones de las Naciones Unidas están en venta en librerías y casas distribuidoras en todas partes del mundo. Consulte a su librero o diríjase a: Naciones Unidas, Sección de Ventas, Nueva York o Ginebra.

Printed at United Nations, Geneva
GE.92-50850
May 1992–3,375

United Nations publication
ISSN 0503-4116